



Capacity Building RFP Questions and Answers

Updated on June 25. Original version created on May 30, 2024.

Table of Contents

Intermediary and Organizational Uses	2
Eligible Applicants	2
Collaborations and Partnerships	3
Eligible Uses	3
Pre-Award Risk Assessment	7
Administrative Costs	8
Scoring.....	8
Completing the Application (New).....	9
Contract Requirements and Reporting (New)	10

Intermediary and Organizational Uses

***New, 06/25* Could we schedule a meeting to discuss our approach and any specific recommendations you might have?**

State grant fairness rules prevent staff from meeting one-on-one with applicants to provide guidance and make recommendations on how to strengthen their specific application. Questions can be emailed to CommunityDevelopment.MHFA@state.mn.us and an individual response will be sent. All questions and answers will have identifying information removed and be posted on the [program web page](#) so that all potential applicants have access to the information.

Is an applicant able to apply for both organizational and intermediary funding?

The Applicant can only apply for one use but could be funded through the intermediary use as a sub-grantee or contractor as long as it's not for the same project.

Can organizations apply in their own right as well as being a fiscal sponsor for another organization?

Yes, the organization could submit more than one application only in this case. Where they are acting as a fiscal agent or sponsor, they would apply for the Intermediary Capacity Building program.

Can we meet with you to discuss our application idea?

Unfortunately, we are unable to discuss or advise potential application ideas. All questions must be submitted [via email](#) to Alyssa Wetzel-Moore or Abigail Behl. They will be posted online with identifying information removed.

My proposal focuses on community planning which topic area should I choose on the Application Questions?

Choose "Community Development."

Eligible Applicants

***New, 06/25* Our organization is planning for a project that will receive funding from MN Housing through a legislative direct appropriation. Are we able to request capacity building funds for this project, as long as the expenses of the two grants do not overlap?**

Yes, you are eligible to submit an application to the Capacity Building RFP. You will want to explain the efforts you will make to avoid duplicating expenses.

New, 06/25 We are primarily a research center for a higher academic institution but also do quite a bit of outreach in communities throughout the state. In the past, we have provided very successful (grant funded) capacity building services for affordable housing developers. Our center has its own budget and our own director and staff; however, we operate within a higher education institution, and any grant contracts would be made with the larger institution. Are we disqualified from pursuing this grant as a lead applicant?

Unfortunately, because educational institutions are not eligible and your organization is part of an educational institution (that is, it does not have its own nonprofit status and is not registered with the Secretary of State), it is not eligible to apply.

Are counties eligible to apply or not?

Non-tribal government entities such as counties, cities and townships are not eligible to apply as lead applicants. However, a governmental entity could be a recipient of technical assistance or pass through grant, or you could be part of a collaboration and receive a subgrant.

If my organization is a current Capacity Building Program grantee, can I apply to the 2024 Capacity Building RFP?

Yes.

Collaborations and Partnerships

New, 06/25 We are currently talking with multiple non-profit organizations about supporting them through this grant. I know each non-profit can only apply to one grant. Can consultants be teamed on more than one?

Yes, consultants can be listed as the contractor on more than one grant application.

If you are working with consultants, do they also need to be nonprofit?

Entities that are not eligible to apply as a lead applicants can receive funding as subgrantees or consultants. This would include for-profit business and the other entities that are listed as ineligible applicants.

Eligible Uses

New, 06/25 Is profit allowed within our pricing/costs?

This is a grant that compensates grantees for the cost of performing the grant activities but is not a source of profit. With the exception of Tribal business entities, for-profit business entities are not

eligible applicants. Nonprofit organizations and Tribal Nations and Tribal Business Entities are eligible to apply.

***New, 06/25* Could these funds be used by a city could use to pay for a comprehensive plan, housing study, or economic development study to collect community engagement for planning future housing developments?**

Local governments are not eligible applicants. However, they can be recipients of technical assistance and/or pass through funds from an eligible applicant.

***New, 06/25* The application is clear that "homeownership counseling" is not an eligible activity. I'm wondering if community ownership workshops (cooperatives, land trusts) are eligible?**

Community ownership workshops would be eligible. Homeownership Counseling is not eligible because Minnesota Housing has a separate grant that funds that work. Since that other grant doesn't fund community ownership workshops, those activities would be eligible.

***New, 06/25* We are collaborating with our local school district to offer a construction class that would engage high school students to build one home each year. Students will volunteer their time during the school year and receive high school credit for their participation. This new program will engage a young and diverse student population, offer training, and create a supportive environment, providing them with new skills and an opportunity to explore community volunteering, many for the first time. Our organization will serve as general contractor and the school will provide a class instructor.**

The proposed uses for the funds is ineligible because they are development expenses which is not an eligible use of Capacity Building grant funds. Also, the activities described sounds very similar to [DEED's Youth Build Program](#). Also, the construction costs for this project would be potentially eligible under the [Single Family Impact Fund RFP](#). School Districts are eligible applicants and organizations working with them would be as well.

***New, 06/25* We are noticing that our organization's current name/branding is difficult for people to associate with housing instability, which is a large portion of our overall work. We are wanting to accomplish a process of renaming and rebranding to be more reflective of the work we do. Would this be an appropriate use of funds?**

Yes, rebranding/renaming would be eligible. Marketing expenses could be an eligible use for the grant funds. What will be important is to demonstrate how a rebrand would ultimately benefit communities most impacted by housing instability and disparities.

***New, 06/25* We are considering using funds to support the first 2-3 years of hiring a staff person who would be a qualified retailer of manufactured homes to support revenue generation for cooperatively owned communities and access to affordable homes for the buyers. Is buying and selling property an eligible use if it is an innovative service that advances equity and addresses root causes of housing instability?**

If the new position builds an organization's capacity to develop a new program which would ultimately overcome barriers to acquiring manufactured homes, then costs related to the staff position would be eligible. Capacity Building Grant funds cannot be used for the actual purchase or costs of selling property.

What is your definition of "direct services"?

Direct services are direct client services that are part of the ongoing work for an organization. For example, if you are a social worker or case worker providing services, that would be a direct service. If you are looking to build capacity to offer a new service, that could be eligible under this grant.

If we would be proposing providing education to a group that is at risk for homelessness as part of our strategy, would that be considered direct service or would it not?

Providing information, know your rights trainings, etc. is an eligible use. It is not a direct service.

Is homebuyer counseling and education not eligible? We were considering replicating a homebuyer program.

Those activities are ineligible. Minnesota Housing funds that work through its [Homeownership Capacity program and Homeownership, Education, Counseling and Training programs](#).

Is homeownership counseling allowed?

No, homeownership counseling is not an eligible activity.

Our organization does workshops for people looking for downpayment assistance. We'd like funding not for providing education, but marketing to reach people to let them know they are eligible.

If the core activities are surrounding homebuyer education, that would be a better fit for our [Homeownership, Education, Counseling, and Training](#) (HECAT) funding. That program does include promotion and marketing as a use of funds.

Would attending a conference related to the topic be an eligible expense?

Yes, training expenses are eligible, and a conference could be included. If your application was funded and you are traveling out-of-state, that would need to be pre-approved.

Could the funds be used to develop a new staff position?

Yes, development of the position and start-up costs could be eligible, but not ongoing funding. You would want to explain how the new staff position is building capacity and that how can you sustain that increased capacity. The funds cannot be used to fill a budget need for an existing staff position.

Could the funds be used to fund a Registered Nurse position or a Geriatric Specialist position?

No, these funds cannot be used to provide medical services.

Would increasing capacity/training for an existing program count as direct service? If we integrate this program to our ongoing programs that's already been happening for years and we're adding on to this program, would that be eligible?

If you have programs that you always offer and you're looking to add new programming to meet a community need, you could use the funds to develop that new program and build it out.

Can these funds be use for training, such as tenant protection training?

Yes.

Can this program also serve incarcerated community (especially those who have been released)?

Yes.

Can we use funds for an innovative way to help with mental health issues of individuals?

Yes, as long as it is specifically connected to housing – not general mental health services.

Can these funds be used for LTH (Long Term Homelessness) or Housing Support Agreements?

Capacity Building Grant funds cannot be used to fund:

- Rental assistance
- Shelter planning or services
- Transitional housing planning or services

Can grant funds be used to pay for food at an event or training?

Yes.

Can grant funds be used to purchase incentives for participants in trainings (such as a gift card for completion)?

Yes.

Under the Organizational Capacity Building, can grant funds be used to contract services to improve accessibility of trainings and programs? Specifically, could it be used to hire language support, or could it be used to cover costs of recording and editing trainings for digital distribution?

Yes.

Pre-Award Risk Assessment

***New, 06/25* What is meant by the \$50k threshold?**

The \$50,000 threshold is referring to the pre-award risk assessment. Applicants requesting \$50,000 or more must participate in a pre-award risk assessment which requires additional review and documents as outlined in the RFP instructions.

Is there a way to submit this (pre-award risk assessment) ahead of time and get a response before submitting the grant?

No, the pre-award risk assessment will begin after the application deadline has passed.

Is the lead applicant the only one that must go through the pre-award risk assessment?

The lead applicant is the one responsible for grant activities, so the Agency will only conduct the pre-award risk assessment on the lead applicant. The lead applicant, if awarded funds, is the one we would contract with. They are responsible to make sure that the grant activities happen and that's why we would only look at the pre award risk assessment for that applicant.

Is the \$50,000 threshold for Pre-Award Risk Assessment per year or total award?

It is for the total request.

We are based out of state and new to Minnesota. Can we use out-of-state financials for our application process?

Yes, you would use the financial documents that apply to you such as your tax filing with the IRS. Just make sure you are registered with the Minnesota Secretary of State.

Administrative Costs

Is all staff time is considered administrative cost? Even, for example, time spent delivering Technical Assistance?

Staff time spent on the grant activities is program expense. Staff time spent on administrative tasks such as HR, accounting, reporting, etc. would be considered administrative costs.

Scoring

Will past performance of an organization be considered?

Yes, it will be considered. It will not increase the score, but poor past performance may decrease the score.

You mentioned six additional points can be awarded to applications that align with specific MN Housing strategies. Can you say more about any specific strategies?

There are additional points for proposals that align with the priorities outlined in the Minnesota Housing Strategic Plan:

- Create a More Inclusive, Equitable and Just Housing System
- Focus on the People and Places Most Impacted by Housing Instability
- Strengthen Communities
- Support Tribal Nations and Indigenous Communities
- Develop Green, Energy-Efficient, Climate-Resilient, Sustainable Housing

Are there examples of previous years projects that were awarded that we can have access to in order to get a feel for scope?

We will post additional examples on the [Capacity Building Program web page](#).

Completing the Application (New)

***New, 06/25* Is there a budget worksheet that we should be using? Or are you just looking for one to be submitted in the narrative form?**

There is not a budget worksheet for the 2024 Capacity Building grant. Budget information is requested in Question 1 of the “Proposal Budget” section. This question states:

“Please list the main categories of expenses, the estimated cost and how you determined these estimates. Administrative Expenses are limited to 15%. If sub-grantees, contractors and/or consultants are named in the application please address this in the How Determined section:

- Have they agreed to be a part of this proposal?
- Have they agreed to the dollar amount budgeted below?”

Please review the example provided on the Application Questions document to see how this information should be presented.

***New, 06/25* If there are any resources or guidelines you could share before we apply, that would be greatly appreciated.**

Application resources are on the [Capacity Building webpage](#) which include the Info Session recording and the PowerPoint presentation. These materials include grant priorities, detailed application instructions, and tips on preparing a strong application. The website also includes questions and answers about the Capacity Building Grant.

***New, 06/25* If we are including pass-through grants, how and where should it be included in the proposal budget?**

There is a section in the application questions that asks applicants to provide an estimate of expenses. Applicants should include the amounts budgeted for pass-through grants in this section.

There is a PDF version of the application questions available on the [Capacity Building Webpage](#). Responses to application questions are completed online. Please review the webpage and [RFP Instructions](#) for complete information.

***New, 06/25* Do you have the questions in a separate document? We cannot copy and paste into a Google doc.**

We have a PDF of the [Application Questions](#) for reference to prepare before you fill out the questions online. All Capacity Building RFP materials are on the [webpage](#) including the [RFP Application Instructions](#) which explain all of the required documents and how to submit them.

Contract Requirements and Reporting (New)

***New, 06/25* If funds will be used to support staff salaries, will we be expected to track staff time (such as show hours worked on the project, hourly rate, etc.)?**

Yes, grantees will be expected to track and report on staff time spent on grant activities and the hourly rate for that staff person. This information will also be included in the grant contract budget.

***New, 06/25* What are the Grant Contract Agreement requirements for bidding and sub-contracting if we do not know at the time of the application who may be our sub-grantees or vendors?**

Contracts of \$10,000 or more with vendors or contractors (including sub-grantees) not identified before contract execution must be competitively bid according to the total cost for the activities. Requirements range from verbal quotes or bids to a formal bidding process as outlined below.

- Any services and/or materials that are expected to cost \$100,000 or more must undergo a formal notice and bidding process.
- Services and/or materials that are expected to cost between \$25,000 and \$99,999 must be competitively awarded based on a minimum of three (3) verbal quotes or bids.
- Services and/or materials that are expected to cost between \$10,000 and \$24,999 must be competitively awarded based on a minimum of two (2) verbal quotes or bids or awarded to a targeted vendor.
- The Grantee must take all necessary affirmative steps to assure that targeted vendors from businesses with active certifications through these entities are used when possible:
 - State Department of Administration's Certified Targeted Group, Economically Disadvantaged and Veteran-Owned Vendor List
 - Metropolitan Council Underutilized Business Program: MCUB: Metropolitan Council Underutilized Business Program
 - Small Business Certification Program through Hennepin County, Ramsey County, and City of St. Paul: Central Certification Directory
- The Grantee must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts.
- The Grantee must maintain support documentation of the purchasing or bidding process used to contract services in their financial records, including support documentation justifying a single/sole source bid, if applicable.
- MHFA may waive bidding process requirements when:
 - Vendors included in response to competitive grant request for proposal process were approved and incorporated as an approved work plan for the grant.

- It is determined there is only one legitimate or practical source for such materials or services and that the Grantee has established a fair and reasonable price.
- For projects that include construction work of \$25,000 or more, prevailing wage rules apply per Minn. Stat. §§177.41 through 177.44. These rules require that the wages of laborers and workers should be comparable to wages paid for similar work in the community as a whole.
- The Grantee must not contract with [vendors who are suspended or debarred in MN.](#)